

Credits

Background:

The credit/adjust-decrease trail is necessary for audit as well as for statistical purposes. Issuing a credit/adjust-decrease maintains the integrity of the record and leaves an audit trail, which can be reviewed easily by management. For statistical purposes, it is important to document credits because of the impact on the revenue generated by the courts.

Credits/adjust-decreases must be:

- Authorized by the judge (judicial order in court on the record), the Uniform Fine and Bail Schedule (UF&BS), local general court order, or specific accounting policy.
- Supported by documentation in the daily accounting records, with physical or scanned case file/citation, or on the record (audio/video) if proof is presented in court.
- Entered so allocations are proper, e.g., credit/adjust-decrease applied to a specific charge as authorized in UF&BS or toward the entire revenue balance, if indistinguishable. The system automatically allocates credits proportionally based on the percentage of the specific revenue code accounts to the total fine account.
- Reconciled to the authorization and supporting documentation daily by the accountant clerk or quarterly by the employee performing external review procedures (limited staff) to ensure these transactions.

Note: In the CORIS system (District Court), the *credit* transactions are entered. In the CARE system (Juvenile Court), *adjust-decrease* transactions are entered.

Policy:

1. A fine accounts receivable/order account should be set-up for the total amount ordered, less the amount suspended by the judge during sentencing, if applicable. Conditions, fines, jail time, etc. ordered but suspended at sentencing can be reinstated by the judge.
2. Credits/adjust-decreases are *authorized* by the judge (judicial order in court on the record, and/or in writing), the UF&BS, local general court order (e.g., for an amount that can be written-off to close a case, waiving a delinquent and/or warrant enhancement within a prescribed number of days, etc.), or specific accounting policy .
3. A judge is authorized to credit/adjust-decrease court-ordered restitution per UCA 77-18-1 (2) [link to General Counsel Opinion Feb. 2006](#). If the restitution is credited/adjust-decreased, the court should notify the victim.
4. A judge is authorized to credit/adjust-decrease the interest on court-ordered restitution [link to General Counsel Opinion August 2003](#).
5. Partial payments of non-mandatory appearance cases are considered bail forfeiture and a guilty plea. Interest begins accruing from the date of the first payment [link to General Counsel Opinion June 2006](#).

6. A judge must specifically order (authorize) credit/adjust-decrease for jail time in lieu of fine in order for a clerk to issue a credit/adjust-decrease for jail time served [link to General Counsel Opinion January 2001](#).
7. If a defendant provides “proof of” documentation for a credit/adjust-decrease for a specific offense to a cashier clerk, the clerk should issue the credit/adjust-decrease from the Cashiering/Payment Screen.
8. If an account receivable has been set-up and the underlying offense(s) dismissed, the fine account must be adjusted/adjust-decrease and enter an accurate reason for the adjustment [refer to the Adjustments Topic](#).
9. The accounts receivable/order account should not be reduced by the credit/adjust-decrease amount authorized until “proof of” compliance is provided, e.g., community service hours completed, cost of treatment program, etc. Documentation presented to a clerk as “proof of” must be retained with:
 - a. the daily accounting records on the date the credit/adjust-decrease was issued;
 - b. the physical or scanned image of the case file/citation; or

On the record (audio/video), if “proof of” is presented to the judge in court a copy of the documentation is not required. If a copy is only placed in the physical case file/citation, the case file must be retained four years plus the current year per Code of Judicial Administration (CJA) Appendix F.

Procedures

District Court:

Clerk

1. On the last payment only and if the payment is received *by mail*, interest may be credited in an amount not to exceed \$10.00 in order to close out the account. If the shortfall exceeds \$10.00, the defendant should be notified of the amount still owing. If the payment is *made in person*, the full amount should be paid to close out the account, and no interest waived.
2. A credit for unpaid interest/fine should be issued *before* the final payment is receipted. A re-distribution of prior payments is not required in this circumstance.
3. A judicial order is required to waive (credit) interest for any situation other than on the last payment, received by mail, for \$10 or less refer to Procedure 1.
4. A case accounts receivable may accrue interest incorrectly, e.g., if a hand receipt payment is issued because the computer is down, cash bail posted but not applied to the fine timely, etc. This is considered an error. The clerk should credit the interest accrued in error before receipting the hand receipt payment/applying cash bail. The clerk must describe the situation that required the credit in the reason field.
5. Credit may be issued upon the defendant presenting “proof of” compliance for a non-moving traffic offense when a reduction in fine is authorized per the UF&BS. A clerk must issue the credit on the corresponding fine for the offense for which credit was

granted so the revenue distribution is accurate. There is an exception for cases on Time Pay.

6. When District Court offense(s) are dismissed upon “proof of” compliance authorized by the UF&BS, clerks are authorized per Code of Judicial Administration (CJA) 4-704 to enter a charge disposition of “dismissed.” This must be entered before selecting the Cashiering option or receipting a payment on an additional offense. If these steps are not followed, a fine account may be set-up for the dismissed charge that must be adjusted through the A/R (Revenue Receivables).

Accountant/External Review (limited staff)

1. Daily (accountant) or quarterly (external review) examine the credits listed on the journal Credit Detail Report and verifies, for 100% or a sample of credits issued by all clerks, that the credit is authorized by judicial order or UF&BS, and support by “proof of” documentation (unless submitted in court then presentation of proof of completion is on the record). The employee should write a check mark next to the credits selected for review and note any non-compliance.
2. Non-compliance, errors, or irregularities (credits not authorized and/or supported by “proof of” documentation) should be reported to the Clerk of Court/designee.

Juvenile Court

1. A fine order account should be set-up for the total amount ordered, less the amount suspended by the judge during sentencing, if applicable.
2. If the judge or UF&BS authorizes a credit, the clerk should enter adjust-decreases on the associated order accounts including an accurate description of the authorization and “proof of” documentation provided. For surchargeable offenses, an adjust-decrease must be distributed to both fine and surcharges manually, so that the surcharge paid will be allocated per state law in the proper 35% or 85%.

Clerk

Based on “proof of” documentation, enter the adjust-decrease for the credit amount against the associated order account(s). If the surcharge was assessed, the fine and surcharge must be reduced in the same manner as the original fine and surcharge were calculated.

Accountant/External Review (limited staff)

1. Daily (accountant) or quarterly (external review) examine the adjust-decreases listed on the journal Adjustments to A/R Report and verifies, for 100% or a sample of adjust-decreases (credits) issued by all clerks, that the credit is authorized by judicial order or UF&BS, and support by “proof of” documentation (unless submitted in court then presentation of proof of completion is on the record). The employee should write a check mark next to the adjust-decreases selected for review and note any non-compliance.
2. Non-compliance, errors, or irregularities (credits not authorized and/or supported by “proof of” documentation) should be reported to the Clerk of Court/designee.